

AMENDED IN SENATE AUGUST 25, 2003

AMENDED IN SENATE JULY 17, 2003

AMENDED IN SENATE JULY 15, 2003

AMENDED IN ASSEMBLY MARCH 25, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1133

Introduced by Assembly Member Koretz

February 21, 2003

An act to add Section 241 to the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1133, as amended, Koretz. Employment.

Under existing law, an employee or the Labor Commissioner may bring an action against an employer for nonpayment of wages and penalties. An employee who brings this action is entitled to recover costs and attorney's fees.

This bill would provide that if a judgment for unpaid wages or penalties remains unsatisfied for 6 months after the judgment becomes final, a penalty equal to the amount of the judgment is applied, and ~~the judgment then doubles~~ *this penalty is applied* again for each additional 6-month period the judgment remains unsatisfied, up to a maximum of 4 times. ~~An employee or the Labor Commissioner may recover costs and attorney's fees for enforcing a judgment under this provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 241 is added to the Labor Code, to read:

241. (a) If any judgment for nonpayment of wages or penalties entered against an employer for a violation of any provision of this part remains unsatisfied for a period of six months after the time to appeal therefrom has expired or any appeal therefrom has been concluded, a penalty equal to the amount of the judgment shall be applied.

(b) Thereafter, for each additional six-month period the judgment remains unsatisfied, ~~the amount of the judgment is again doubled as a penalty~~ *an additional penalty equal to the amount of the first penalty shall be applied.* In no case shall the ~~initial award be doubled~~ *penalty be applied* more than four times.

~~(c) The court shall award costs and reasonable attorney's fees to the judgment creditor or the Labor Commissioner as assignee of the judgment creditor who enforces a judgment entered pursuant to this section.~~

(c) The amount of any penalty awarded under this section that remains after costs of collection have been paid shall be distributed to the employees owed wages pursuant to the underlying judgment, in proportion to the wages owed.

(d) The penalty provided in this section is in addition to any applicable interest provided for under existing law.